

Consolidated Statements of Operations

(millions, except per share data)	2017	2016	2015
Sales	\$ 71,879	\$ 69,495	\$ 73,785
Cost of sales ^(a)	51,125	49,145	52,241
Gross margin	20,754	20,350	21,544
Selling, general and administrative expenses	14,248	13,356	14,665
Depreciation and amortization (exclusive of depreciation included in cost of sales) ^(a)	2,194	2,025	1,969
Gain on sale	—	—	(620)
Earnings from continuing operations before interest expense and income taxes	4,312	4,969	5,530
Net interest expense	666	1,004	607
Earnings from continuing operations before income taxes	3,646	3,965	4,923
Provision for income taxes	718	1,296	1,602
Net earnings from continuing operations	2,928	2,669	3,321
Discontinued operations, net of tax	6	68	42
Net earnings	\$ 2,934	\$ 2,737	\$ 3,363
Basic earnings per share			
Continuing operations	\$ 5.35	\$ 4.62	\$ 5.29
Discontinued operations	0.01	0.12	0.07
Net earnings per share	\$ 5.36	\$ 4.74	\$ 5.35
Diluted earnings per share			
Continuing operations	\$ 5.32	\$ 4.58	\$ 5.25
Discontinued operations	0.01	0.12	0.07
Net earnings per share	\$ 5.33	\$ 4.70	\$ 5.31
Weighted average common shares outstanding			
Basic	546.8	577.6	627.7
Dilutive effect of share-based awards	3.5	4.9	5.2
Diluted	550.3	582.5	632.9
Antidilutive shares	4.1	0.1	—
Dividends declared per share	\$ 2.46	\$ 2.36	\$ 2.20

Note: Per share amounts may not foot due to rounding.

^(a) Refer to Note 3 for additional information about a reclassification of supply chain-related depreciation expense to Cost of Sales.

See accompanying Notes to Consolidated Financial Statements.



Consolidated Statements of Comprehensive Income

(millions)	2017	2016	2015
Net earnings	\$ 2,934	\$ 2,737	\$ 3,363
Other comprehensive income / (loss), net of tax			
Pension and other benefit liabilities, net of tax provision / (benefit) of \$12, \$(9), and \$(18)	2	(13)	(27)
Currency translation adjustment and cash flow hedges, net of provision for taxes of \$4, \$2, and \$2	6	4	(3)
Other comprehensive income / (loss)	8	(9)	(30)
Comprehensive income	\$ 2,942	\$ 2,728	\$ 3,333

See accompanying Notes to Consolidated Financial Statements.



Consolidated Statements of Financial Position

(millions, except footnotes)	February 3, 2018	January 28, 2017
Assets		
Cash and cash equivalents	\$ 2,643	\$ 2,512
Inventory	8,657	8,309
Other current assets	1,264	1,169
Total current assets	12,564	11,990
Property and equipment		
Land	6,095	6,106
Buildings and improvements	28,396	27,611
Fixtures and equipment	5,623	5,503
Computer hardware and software	2,645	2,651
Construction-in-progress	440	200
Accumulated depreciation	(18,181)	(17,413)
Property and equipment, net	25,018	24,658
Other noncurrent assets	1,417	783
Total assets	\$ 38,999	\$ 37,431
Liabilities and shareholders' investment		
Accounts payable	\$ 8,677	\$ 7,252
Accrued and other current liabilities	4,254	3,737
Current portion of long-term debt and other borrowings	270	1,718
Total current liabilities	13,201	12,707
Long-term debt and other borrowings	11,317	11,031
Deferred income taxes	713	861
Other noncurrent liabilities	2,059	1,879
Total noncurrent liabilities	14,089	13,771
Shareholders' investment		
Common stock	45	46
Additional paid-in capital	5,858	5,661
Retained earnings	6,553	5,884
Accumulated other comprehensive loss	(747)	(638)
Total shareholders' investment	11,709	10,953
Total liabilities and shareholders' investment	\$ 38,999	\$ 37,431

Common Stock Authorized 6,000,000,000 shares, \$0.0833 par value; 541,681,670 shares issued and outstanding at February 3, 2018; 556,156,228 shares issued and outstanding at January 28, 2017.

Preferred Stock Authorized 5,000,000 shares, \$0.01 par value; no shares were issued or outstanding at February 3, 2018 or January 28, 2017.

See accompanying Notes to Consolidated Financial Statements.



Consolidated Statements of Cash Flows

(millions)	2017	2016	2015
Operating activities			
Net earnings	\$ 2,934	\$ 2,737	\$ 3,363
Earnings from discontinued operations, net of tax	6	68	42
Net earnings from continuing operations	2,928	2,669	3,321
Adjustments to reconcile net earnings to cash provided by operations:			
Depreciation and amortization	2,445	2,298	2,213
Share-based compensation expense	112	113	115
Deferred income taxes	(192)	41	(322)
Gain on sale	—	—	(620)
Loss on debt extinguishment	123	422	—
Noncash (gains) / losses and other, net	192	(21)	57
Changes in operating accounts:			
Inventory	(348)	293	(316)
Other assets	(168)	30	221
Accounts payable	1,307	(166)	(362)
Accrued and other liabilities	450	(350)	947
Cash provided by operating activities—continuing operations	6,849	5,329	5,254
Cash provided by operating activities—discontinued operations	74	107	704
Cash provided by operations	6,923	5,436	5,958
Investing activities			
Expenditures for property and equipment	(2,533)	(1,547)	(1,438)
Proceeds from disposal of property and equipment	31	46	28
Proceeds from sale of businesses	—	—	1,875
Cash paid for acquisitions, net of cash assumed	(518)	—	—
Other investments	(55)	28	24
Cash (required for) / provided by investing activities—continuing operations	(3,075)	(1,473)	489
Cash provided by investing activities—discontinued operations	—	—	19
Cash (required for) / provided by investing activities	(3,075)	(1,473)	508
Financing activities			
Additions to long-term debt	739	1,977	—
Reductions of long-term debt	(2,180)	(2,641)	(85)
Dividends paid	(1,338)	(1,348)	(1,362)
Repurchase of stock	(1,046)	(3,706)	(3,483)
Stock option exercises	108	221	300
Cash required for financing activities	(3,717)	(5,497)	(4,630)
Net increase / (decrease) in cash and cash equivalents	131	(1,534)	1,836
Cash and cash equivalents at beginning of period	2,512	4,046	2,210
Cash and cash equivalents at end of period	\$ 2,643	\$ 2,512	\$ 4,046
Supplemental information			
Interest paid, net of capitalized interest	\$ 678	\$ 999	\$ 604
Income taxes paid / (refunded)	934	1,514	(127)
Property and equipment acquired through capital lease obligations	173	238	126

See accompanying Notes to Consolidated Financial Statements.



Consolidated Statements of Shareholders' Investment

(millions)	Common Stock Shares	Stock Par Value	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss)/Income	Total
January 31, 2015	640.2	\$ 53	\$ 4,899	\$ 9,644	\$ (599)	\$ 13,997
Net earnings	—	—	—	3,363	—	3,363
Other comprehensive loss	—	—	—	—	(30)	(30)
Dividends declared	—	—	—	(1,378)	—	(1,378)
Repurchase of stock	(44.7)	(4)	—	(3,441)	—	(3,445)
Stock options and awards	6.7	1	449	—	—	450
January 30, 2016	602.2	\$ 50	\$ 5,348	\$ 8,188	\$ (629)	\$ 12,957
Net earnings	—	—	—	2,737	—	2,737
Other comprehensive loss	—	—	—	—	(9)	(9)
Dividends declared	—	—	—	(1,359)	—	(1,359)
Repurchase of stock	(50.9)	(4)	—	(3,682)	—	(3,686)
Stock options and awards	4.9	—	313	—	—	313
January 28, 2017	556.2	\$ 46	\$ 5,661	\$ 5,884	\$ (638)	\$ 10,953
Net earnings	—	—	—	2,934	—	2,934
Other comprehensive income	—	—	—	—	8	8
Dividends declared	—	—	—	(1,356)	—	(1,356)
Repurchase of stock	(17.6)	(1)	—	(1,026)	—	(1,027)
Stock options and awards	3.1	—	197	—	—	197
Reclassification of tax effects to retained earnings ^(a)	—	—	—	117	(117)	—
February 3, 2018	541.7	\$ 45	\$ 5,858	\$ 6,553	\$ (747)	\$ 11,709

^(a) Refer to Note 29.

See accompanying Notes to Consolidated Financial Statements.

